

Message Text

LIMITED OFFICIAL USE POSS DUPE

PAGE 01 TAIPEI 05465 130035Z

10
ACTION EA-09

INFO OCT-01 ISO-00 EB-07 L-03 SS-15 INR-07 AGR-05 CIAE-00

COME-00 LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01

FRB-03 OMB-01 ITC-01 /063 W
----- 107382

R 121630Z AUG 76
FM AMEMBASSY TAIPEI
TO SECSTATE WASHDC 669
INFO AMEMBASSY SEOUL
AMEMBASSY TOKYO

LIMITED OFFICIAL USE TAIPEI 5465

EO 11652 NA
TAGS ETRD, TW, US
SUBJECT: SECTION 301 PETITION FILED BY CHALRES REHFELDT, LAI FU
TRADING CO., LTD.

REF: TAIPEI 5382

1. THERE FOLLOWS TEXT OF CENTRAL NEWS AGENCY ARTICLE
WHICH APPEARED IN AUGUST 12 CHINA POST:
"ROC CUSTOMS DUTIES PARTIALLY LOWERED -TAIPEI, AUG. 11 (CNA) -
CONTRARY TO AMERICAN CHARGES, THE REPUBLIC OF CHINA HAS
ALREADY LOWERED ITS IMPORT DUTIES ON SOME ELECTRIC HOME APPLIANCE,
WANG CHOU-MING, DIRECTOR OF THE CUSTOMS ADMINISTRATION OF THE
FINANCE MINISTRY, SAID TUESDAY.
'WANG WAS RESPONDING TO CNA'S INQUIRIES ABOUT A RECENT ASSOCIATED
PRESS STORY WHICH QUOTED SOME U.S. TRADERS AS ACCUSING THE REPUBLIC
OF CHINA OF IMPOSING "CONFISCATORY" IMPORT DUTIES ON HOME
APPLIANCES.
'ACCORDING TO THE WASHINGTON-DATELINED STORY OF JULY 29, U.S.
TRADE NEGOTIATOR FREDERICK DENT TOLD CONGRESSMEN RECENTLY THAT
THE CHINESE EMBASSY HAD PROMISED TO LOWER ITS IMPORT DUTIES ON
U.S. MADE COLOR TELEVISION SETS AND REFRIGERATORS. BUT DENT SAID
IT DID NOT HAPPEN.

LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 02 TAIPEI 05465 130035Z

'THE U.S. GOVERNMENT STARTED AN INVESTIGATION ON TAIWAN'S

IMPORT DUTIES BECAUSE OF A COMPALIN FILED BY CHARLES REHFELDT, AN AMERICAN BUSINESSMAN WHO OWNS TRADING COMPANIES IN BOTH TAIWAN AND CALIFORNIA. REHFELDT CHARGED THAT TAIWAN WAS ENGAGING IN "UNFAIR TRADE PRACTICES," THE AP STORY QUOTED HIM AS SAYING.

'ANSWERING THESE CHARGES, THE CHINESE CUSTOMS DIRECTOR SAID THE REPUBLIC OF CHINA HAS ALREADY LOWERED ITS CUSTOM DUTIES ON COLOR TELEVISION RECEIVERS AND REFRIGERATORS FROM 60 PER CENT TO 45 PER CENT SINCE JULY 1.

'DIRECTOR WANG SAID HE UNDERSTOOD THAT SOME AMERICAN TRADERS STILL THINK THE ADJUSTED RATE UNFAIR AND HAVE APPEALED THROUGH DIPLOMATIC CHANNELS FOR THE RATE TO BE LOWERED TO 33 PERCENT.

'PROPOSED RATE. BUT THE PROPOSED RATE IS FOR BLACK AND WHITE TV SETS AND CANNOT BE APPLIED TO COLOR SETS AND REFRIGERATORS, WANG SAID

'THE REPUBLIC OF CHINA IS NOT DISCRIMINATING AGAINST IMPORTS OF SUCH PRODUCTS FROM THE UNITED STATES OR ANY OTHER COUNTRY, HE STRESSED, CITING THE FACT THAT JAPAN AND THE REPUBLIC OF KOREA DO NOT EVEN ALLOW SUCH IMPORTS.

'THE AP STORY ALSO SAID THAT THE US TRADE NEGOTIATOR'S OFFICE WARNED THAT THE US GOVERNMENT MIGHT "RETALIATE" AGAINST SOME OF TAIWAN'S EFFORTS TO THE US IF THE DUTIES WERE NOT LOWERED.

'WHETHER THE US GOVERNMENT IS REALLY CONSIDERING TAKING RETALIATORY ACTIONS REMAINS UNKNOWN. TWO CNA REPORTERS HAVE BEEN BAFLED IN THEIR CONTINUOUS ATTEMPTS TO REACH OFFICIALS OF THE ECONOMIC AND COMMERCIAL AFFAIRS SECTION OF THE US EMBASSY DURING THE PAST WEEK. THEY EITHER WERE NOT AVAILABLE OR DECLINED TO DISCUSS THE PROBLEM.

'IMPORTS. THE REPUBLIC OF CHINA'S IMPORT DUTIES ON AIR CONDITIONERS REMAIN AT 60 PERCENT, AND ELECTRO-MECHANICAL HOME APPLIANCES, 46 PER CENT. THESE RATES HAVE BEEN IN FORCE SINCE MARCH 28, 1975.

LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 03 TAIPEI 05465 130035Z

'STATISTICS RELEASED FROM THE CHINESE MARITIME CUSTOMS SHOW THAT IN 1975 THE UNITED STATES EXPORTED US\$6.97 MILLION WORTH OF COLOR TELEVISION SETS, REFRIGERATORS, AIR CONDITIONERS, AND OTHER HOME APPLIANCES TO TAIWAN. OF THE TOTAL, COLOR TELEVISION SETS CLAIMED US\$1.55 MILLION; REFRIGERATORS US\$2 MILLION; AIR CONDITIONERS, US\$2.99 MILLION; AND OTHER HOME APPLIANCES, US\$363,139.

'DURING THE JANUARY-APRIL PERIOD OF 1976, THE UNITED STATES EXPORTED US\$2.52 MILLION WORTH OF REFRIGERATORS, AIR CONDITIONERS AND OTHER

HOME APPLIANCES TO TAIWAN. OF THE TOTAL, REFRIGERATORS ACCOUNTED FOR US\$1.12 MILLION, AIR CONDITIONERS US\$1.3 MILLION, AND OTHER HOME APPLIANCES US\$100,184.

THE IMPORT VOLUME OF US COLOR TELEVISION RECEIVERS DURING THE FOUR-MONTH PERIOD IS NOT YET AVAILABLE.

SO FAR AS THESE ITEMS ARE CONCERNED, THE UNITED STATES IS A MUCH BIGGER SUPPLIER IN THE TAIWAN MARKET THAN JAPAN. JAPAN'S EXPORTS OF SUCH PRODUCTS TO TAIWAN TOTALLED US\$1.5 MILLION IN 1975 AND US-\$604,273 (NOT INCLUDING COLOR TELEVISION SETS) IN THE FIRST FOUR MONTHS OF 1976."

2. IF WANG CHAO-MING WAS QUOTED CORRECTLY, AND EMBASSY IS ENDEAVORING TO FIND OUT, GROG MAY BE TRYING TO TELL US OBLIQUELY THAT IT IS NOT PREPARED TO ROLLBACK AND REDUCE TARIFF RATES TO LEVELS WE HAVE REQUESTED. EMBASSY DOES NOT INTEND, OF COURSE, TO ACCEPT WANG'S COMMENTS, EVEN IF TRUE, AS FINAL WORD. MATTER WILL BE PURSUED AGAIN WITH MINISTER FEI AT APPROPRIATE OPPORTUNITY.

3. IT WILL BE NOTED THAT IN CNA ARTICLE IT IS STATED THAT NEITHER KOREA NOR JAPAN PERMIT IMPORTS OF US TELEVISION RECEIVERS AND APPLIANCES. EMBASSY WOULD APPRECIATE VERIFICATION OF THIS SINCE IN FUTURE DISCUSSIONS WITH GROG SUBJECT IS LIKELY TO COME UP.

4. CNA ARTICLE IS CORRECT IN AT LEAST ONE RESPECTMEMBASSY HAS ASSIDUOUSLY REFRAINED FROM DISCUSSING LAI FU CASE WITH PRESS AND DOES NOT PROPOSE TO DO SO IN THE FUTURE.
UNGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, CUSTOMS DUTIES, TEXT, ELECTRONIC EQUIPMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 12 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976TAIPEI05465
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760311-0577
From: TAIPEI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760858/aaaabyva.tel
Line Count: 143
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 TAIPEI 5382
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 24 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 MAY 2004 by ShawDG>; APPROVED <22 SEP 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SECTION 301 PETITION FILED BY CHALRES REHFELDT, LAI FU TRADING CO., LTD.
TAGS: ETRD, TW, US, LAI FU TRADING CO LTD, (REHFELDT, CHARLES)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006